



U.S. DEPARTMENT OF EDUCATION



Higher Education For A Highly Competitive World

May 18, 2006

"We all have a responsibility to make sure our higher education system continues to spur innovation and economic growth and gives more Americans the chance to succeed in the new knowledge economy." — U.S. Secretary of Education Margaret Spellings

In this highly competitive global economy, a college education has never been more important.

- About 90 percent of the fastest-growing jobs of the future will require some postsecondary education or training (U.S. Department of Labor).
- College graduates in the U.S. earn nearly twice as much as workers with just a high school diploma, one of the highest rates in the world (Organization for Economic Co-operation and Development [OECD]).

The rest of the world knows this, and is "gathering strength," particularly in the scientific and technological fields.

- "The scientific and technical building blocks of our economic leadership are eroding at a time when many other nations are gathering strength"—National Academies.
- In 1970, the United States produced more than half of the world's science and engineering doctorates; by 2010, our share is projected to fall to about 15 percent (Richard Freeman, National Bureau of Economic Research).
- U.S. students rank 24th out of 29 developed nations in mathematics problem-solving (2003 Programme for International Student Assessment test [PISA]).
- The U.S. has fallen to ninth in the developed world in high school graduation rates among young adults (OECD).

Secretary Spellings formed the Commission on the Future of Higher Education to ensure that our students are being equipped with the skills to succeed in the 21st century.

- The Commission will develop a comprehensive national strategy for postsecondary education that will meet the needs of America's diverse population.
- The Commission is focused on higher education's most vital issues—**access, affordability, accountability and quality.**
- The Commission will help parents and policymakers base decisions on data, not assumptions.
- Made up of university officials, business leaders, policymakers and researchers, the Commission is conducting a national dialogue in states across the country.
- To date, the Commission has officially met on four occasions (at Washington, D.C.; Nashville, Tenn.; San Diego, Calif.; and Indianapolis, Ind.) and has held two public hearings (at Seattle, Wash. and Boston, Mass.). **The commission meets again May 18-19 in Washington, D.C.**

Visit www.ed.gov for more information on other education initiatives including *No Child Left Behind*.

With average tuition rates nearly doubling over the last decade, the U.S. Department of Education is helping more families afford college.

- Funding for Pell Grants has risen nearly 50 percent over the past five years, with an increase of 1.3 million students since the President took office.
- Half of all undergraduates received some federal financial aid in 2003-04, up from 40 percent in 2000-01.
- President Bush has proposed a \$240 million increase for the Pell Grant program for FY 2007. The number of recipients would increase to 5.3 million students.

In February 2006, President Bush signed into law two new grant programs for Pell-eligible students, the Academic Competitiveness Grants and the National Science and Mathematics Access to Retain Talent (SMART) Grants.

- Funding for these two programs totals \$790 million for the 2006-07 school year, with grants to be awarded to an estimated 500,000 low-income, Pell-eligible students.
- For FY 2007, President Bush has proposed a \$60 million increase to \$850 million, with grants awarded to an estimated 541,000 students.
- To qualify, students must complete rigorous high school coursework and/or maintain good grades in math, science, technology, engineering or critical foreign language majors in college.

The best support we can offer to colleges and universities is to send them freshmen students ready to learn.

- President Bush's \$1.475 billion **High School Initiative** (FY 2007) would enable high schools to annually measure student knowledge of reading and math, while providing intensive instruction to struggling students at risk of dropping out.
- The President has proposed an **Advanced Placement / International Baccalaureate Incentive Program** to reach more high schools, especially those serving low-income students. It would train 70,000 teachers to lead AP-IB courses in math, science and critical-need foreign languages over the next five years, and would increase the number of students taking AP-IB tests to 1.5 million by 2012 while giving them the opportunity to earn college credit.
- The President has also proposed **Enhanced Pell Grants** and **dual enrollment credit transfers** for high school students taking rigorous, college-level coursework.

Action is urgently needed. The condition of our high schools affects the state of higher education, for better or worse.

- "High schools are failing to prepare too many of our students for work and higher education" – National Governors Association.
- Fewer than half of our high school graduates are ready for college-level math and science (ACT).
- High school test scores in math have barely moved since the 1970s (Nation's Report Card Long-Term Trend results).
- Nearly 30 percent of all undergraduates must take remedial coursework during their college career (National Center for Education Statistics).
- Among all ninth-graders, approximately three in 10 do not graduate on time; for African American and Hispanic students the figure is about five in 10 (Manhattan Institute).